
Cable Communications Plan

MISSION STATEMENT

The mission of the Cable Communications Plan is to effectively manage the County's cable television and telecommunications franchise agreements and the Cable Special Revenue Fund to ensure that: cable services in Montgomery County are of high quality; cable and telecommunications providers comply with applicable safety and construction codes; cable customer service requirements and applicable consumer protection provisions are enforced; quality Public, Educational, and Governmental (PEG) cable programming is provided; FiberNet is expanded and operated to provide reliable voice, data, video and public safety communications to County government agencies; and a reliable and expedient process is provided for telecommunication carriers to establish transmission facilities in the County to speed deployment of services for residents while maintaining adequate public protection.

BUDGET OVERVIEW

For FY16, the Cable Communications Plan consists of three elements: the Cable & Broadband Office appropriation (\$15,764,947), transfers to the County General Fund (\$9,087,925), and transfers to the County Capital Improvements Program (\$4,098,000) for a total use of fund resources of \$28,950,872. Within the Cable Office appropriation of \$15,764,947, Personnel Costs comprise 24.4 percent of the budget for thirteen full-time positions. A total of 30.5 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 75.6 percent of the FY16 budget.

In FY16, there are several transfers to the General Fund for the following:

Montgomery College (MC): Funds are transferred from the Cable Fund to the General Fund, and then to MC. In FY16, total transfers to MC are \$1,542,300, representing an increase of \$112,300 (or 7.85%) over the FY15 transfer of \$1,430,000.

Montgomery County Public Schools (MCPS): Funds are transferred from the Cable Fund to the General Fund, and then to MCPS. In FY16, total transfers to MCPS are \$1,654,209 representing an increase of \$58,585 (or 3.67%) over the FY15 transfer of \$1,595,624.

Other: Funds are transferred from the Cable Fund to the General Fund to cover the cost of certain administrative services provided by the County to the Cable Fund (\$614,091), costs related to funding the workplan of the Legislative Branch Communications Outreach NDA (\$490,000), and other contributions (\$4,787,325).

The County Council has approved \$728,900 for full funding of a Network Operations Center for the FiberNet network in FY16.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***An Effective and Efficient Transportation Network***
- ❖ ***Children Prepared to Live and Learn***
- ❖ ***Healthy and Sustainable Neighborhoods***
- ❖ ***Strong and Vibrant Economy***
- ❖ ***Vital Living for All of Our Residents***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 approved budget and funding for comparable service levels in FY17.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Implement a Network Operations Center (NOC) for the County's FiberNet network. The NOC will provide situational awareness of FiberNet on a 24x7 basis, respond to faults in the network in order to restore services in a timely manner, participate in service provisioning activities with participating agencies and Montgomery County Government's Department of Technology Services (DTS) associates, and develop utilization reports and capacity planning studies showing FiberNet's ability to satisfy participating agency bandwidth and service requirements.**
- ❖ **In FY15 the Cable Office worked with their Legislative Information Office to support the fifth annual Youth Town Hall Meeting for students held in the Council Office Building. For the first time, the department inserted live Twitter comments and used Google Hangout to take questions from the Long Branch Library in Silver Spring; Council members interacted with students and answered questions during the live broadcast. The program was available on cable TV, online, and on mobile devices.**
- ❖ **The Cable Office is leading the development of a mobile app that will provide access to content produced by the County's PEG channels. Content will include information about programs and services, healthy living, recreation, entertainment, and educational opportunities. Features of the app will include individual programming schedules; the ability to search content by title, date, and channel; and the ability to share content on social media sites.**
- ❖ **The department provided unique local coverage of the 2014 Gubernatorial and Montgomery County General Election results including production support and editorial expertise, videotaped candidate statements, and live coverage with expert analysis, up to the minute results for statewide and local county races, and live updates from the Montgomery County Board of Elections and the Maryland State Board of Elections.**
- ❖ **The Cable Office highlighted programming based on trends, popularity and timeliness. This included live social media posting during Council Sessions, meetings, hearings and special events to provide multi-channel (cable, web, social) access to information by residents; strategic use of hashtags such as #banthebox, #MoCoVote; creating focused topic pages that highlight subjects of importance to residents; as well as pertinent videos. These pages receive an additional boost via the use of title and keyword metadata, as well as the inclusion of links and bold type within the content; revising metadata on all pages of the website to ensure proper presentation when shared on social media sites such as Facebook; and creating custom links via bitly.com.**
- ❖ **For the first time County PEG channels' content has generated over 1 million views on YouTube and other Video-on-Demand sites. This is an increase of 14% over FY14, and 98% over FY13.**
- ❖ **In FY16, the PEG channels plan to create programming to honor Montgomery County Vietnam Veterans. As the 40th anniversary of the end of the war is commemorated, programming is intended to thank and honor Vietnam War Veterans for their service and sacrifice; to thank and honor the families of these veterans; and to pay tribute to the contributions made on the home front by the people of Montgomery County during the Vietnam War.**
- ❖ **Montgomery County's PEG Channels received the following awards in 2014:**
 - **"County Report This Week" (collaborative PEG Network weekly cable television show) – prestigious national "Telly" award**
 - **"Capsula Informativa Spanish Language News" (weekly 15 minute Spanish language local County news and information) – NACO Achievement Award**
 - **"Library Teen Advisory Public Service Announcement" – National Association of Telecommunications Officers and Advisors (NATOA) 1st Place Government Programming Award, Library Category, and Alliance for Community Media (ACM) Honorable Mention Hometown Media Award**
 - **"Parks Rec n' Roll" – ACM 1st Place Hometown Media Award**
 - **Government Access Station Website – Honorable Mention, NATOA Government Programming Award**
 - **Use of Social Media – Honorable Mention, NATOA Government Programming Award**
 - **"State of the College" – ACM 1st Place Hometown Media Award, Live Format**
 - **"Campus Conversations" – ACM 1st Place Hometown Media Award, Website for Producers**
 - **Use of Social Media – 1st Place, NATOA Government Programming Award**
- ❖ **In FY15, the County expanded FiberNet to 42 new locations and completed replacement of three FiberNet hub sites.**

❖ **Productivity Improvements**

- **Montgomery County Public Schools internet and cloud computing capacity was increased by 300 percent, representing an annual cost savings of \$120,000. This FiberNet upgrade enabled 40,000 new Chromebooks for MCPS students to be used effectively with WiFi in the classroom.**
- **Upgraded and expanded wireless access points in County facilities as the department continues to expand access to mobile devices and business productivity both for employees and visitors.**

PROGRAM CONTACTS

Contact Phil Roter of the Cable and Broadband Office at 240.777.2886 or Dennis Hetman of the Office of Management and Budget at 240.777.2770 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Cable Franchise Administration

The Cable & Broadband Office in the Department of Technology Services is responsible for administering the cable television agreements for the County and participating municipalities. The budget for franchise administration includes funds for cable management and enforcement staff, including cable and broadband complaint investigation staff, cable inspection and facilities testing staff, and office operating expenses. Funds will be used for engineering consulting services which require special expertise, such as engineering review of tower and antenna siting applications, IP-based interconnection of public, educational, and government access (PEG) video signals and facilities, transmission facility digital and engineering upgrades, and the implementation of future technology and mobile video applications. Funds will also be used to pay legal and financial consultants for work which requires special expertise, such as preparation of filings on behalf of the County before the Federal Communications Commission, analysis of legislative proposals, and County representation in cable and telecommunications service negotiations, and rate regulation and franchise compliance matters.

The responsibilities associated with franchise administration include:

- Ensuring cable operator compliance with franchise financial, technical, and construction requirements and managing the cable franchise renewal and transfer process;
- Investigating and resolving cable and broadband subscriber and residential complaints;
- Administering contracts with and providing liaison and support services for the PEG channels;
- Collecting and administering franchise fees, grants, and other payments to the County and participating municipalities;
- Encouraging entry of competitive providers of telecommunication services and negotiating and reviewing proposed telecommunications franchises for use of the public rights-of-way;
- Directing and coordinating the Transmission Facilities Coordinating Committee;
- Supporting the Cable and Communications Advisory Committee and Cable Compliance Commission;
- Strategic planning for Montgomery County government cable and communications technology;
- Preparing the annual Cable Communications Plan; and
- Monitoring and working with the Office of Intergovernmental Relations to advocate for effective and reasonable State and Federal cable, broadband and telecommunications regulations and legislation.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Average Days to Process Transmission Facilities Applications by Transmission Facilities Coordinating Group	30	30	30	30	30
Number of Transmission Facility Applications Processed	71	144	180	150	150
Percent of Customers Satisfied with Cable Office Complaint Handling	96	97	97	97	97

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	1,637,788	8.90
Increase Cost: FY16 Compensation Adjustment	122,971	0.00
Increase Cost: Retirement Adjustment	32,595	0.00
Increase Cost: Annualization of FY15 Personnel Costs	27,039	0.00
Increase Cost: Tower Facilities Coordinating Group & Engineering Contract cost	24,500	0.00
Increase Cost: Group Insurance Adjustment	8,875	0.00
Decrease Cost: Printing and Mail	-1,588	0.00
Decrease Cost: Franchise Administration	-4,000	0.00
Decrease Cost: Legal Expenditures	-100,000	0.00

	Expenditures	FTEs
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-131,785	0.00
FY16 Approved	1,616,395	8.90

Community Access to Cable

The Cable & Broadband Office administers a contract with Montgomery Community Television, doing business as Montgomery Community Media (MCM), through which MCM operates two community media cable television channels and provides media technology training to County residents and community organizations. MCM produces independent, diverse and informative cable programming for Montgomery County residents. MCM's mission is to provide media, television production and technology training that empowers residents and organizations and provides them with the opportunity to interact, engage and influence the County government and the community by using the powerful media of television and the Internet.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Hours of First Run Locally Produced, Block and Acquired MCM Programming	5,900	6,862	6,940	6,940	6,940
Hours of MCM Volunteer Effort in Creating Public Access Programming	16,500	17,000	17,000	17,500	17,500

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	2,429,442	0.00
Increase Cost: Montgomery Community Media salary and benefit increases	87,926	0.00
Increase Cost: Montgomery Community Media Rent and Utilities	11,067	0.00
FY16 Approved	2,528,435	0.00

County Cable Montgomery

The Cable Office manages CCM (County Cable Montgomery), the government access channel. CCM programming includes live Council general and committee meetings, press conferences, town hall meetings, special events, and programs highlighting County services and activities. Funding is provided to the Cable Office, County Council, Office of Public Information (PIO), and Maryland National Capital Park and Planning Commission (M-NCPPC) to develop programming for CCM. Funding to provide engineering personnel for the Mobile Production Vehicle for the PEG Network and other digital media services for the Executive and Legislative Branches is also included in the allocation to the Cable Office. Over 99 percent of all CCM programming is presented with closed captions. Highlights of programs are available on the County's YouTube channel. Spanish language programming is produced and all programming is web-streamed to the County's website.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Hours of First Run Locally Produced, Block and Acquired CCM Programming	2,533	2,790	2,810	2,830	2,851

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	2,509,334	15.90
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	68,587	0.00
FY16 Approved	2,577,921	15.90

Cable Programming for Public Schools

The Montgomery County Public Schools (MCPS) Office of Communications is responsible for producing television programming for its educational cable channel. Funds are used for production of instructional, community-based, staff development, and training television programs; for programs viewed via the Internet; as well as for engineering, channel management, and program acquisition. MCPS regular programming includes Board of Education meetings, Homework Hotline Live!, staff training and development, live call-in and interactive programs, in-class student programs, student-produced programs, technology training, and televised instruction in a variety of academic content areas. Many programs are translated and cablecast in multiple languages. Additional funds are requested and provided through the Public Schools' operating budget.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Hours of First Run Locally Produced, Block and Acquired MCPS ITV Programming	974	662	615	646	678

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	0	0.00
FY16 Approved	0	0.00

Cable Programming for Montgomery College

The Instructional Television (ITV) and Media Production Services Unit of Montgomery College is responsible for creating cable programming available on the Montgomery College educational cable channel as well as video programming and learning materials available as on-line content. Funds are used for staff, equipment, and operating expenses to provide digital media services to support student success (i.e., course completion, retention, graduation, and academic excellence), produce Spanish language programming, and to advance the mission of the entire College community. The cable and video programming features acquired and originally produced educational, informational and instructional programming which directly supports the College's distance learning and instructional programs, and to provide professional and workforce development and self-enrichment opportunities for the community. Additional funds are provided through the Montgomery College operating budget.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Hours of First Run Locally Produced and Acquired MC-ITV Programming	245	229	230	230	230
Hours of Montgomery College Student-Assisted Original Programming	115	137	140	140	140

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	0	0.00
FY16 Approved	0	0.00

Municipal Support

Franchise and PEG fees owed by cable operators to participating municipalities within Montgomery County are paid by cable operators to the County for administrative convenience and then redistributed by the County to the City of Rockville, the City of Takoma Park, and the Montgomery County Chapter of the Maryland Municipal League (MML). The County has a contractual obligation to pass through fees owed to municipalities and no discretion to alter these payments. Municipalities may use franchise fees for any purpose. Under the terms of the franchise agreements, participating municipalities must use Public, Education, and Government (PEG) Access Operating Support funding to support PEG programming operations and PEG capital support must be used for PEG and institutional network equipment, facilities and related capital expenditures.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	4,083,777	0.00
Increase Cost: Municipal Pass-through Payments	201,307	0.00
FY16 Approved	4,285,084	0.00

Public Education Government Access (PEG) Operations

The mission of the Public, Education, and Government (PEG) Governance Board is to facilitate collaboration among the local television access operators in providing and promoting the most effective public access, educational and government programming and media services to the Montgomery County community using current and emerging technologies. PEG is collaboratively working to expand community engagement programming, programming in languages other than English, and youth media programming.

The budget for PEG includes funds for the purchase of equipment; engineering support; promotion and outreach support to increase channel awareness and viewership; operational and maintenance support for the mobile production vehicle; closed captioning and Spanish language support; and general operating and administrative expenses. Federal law and cable franchise agreements restrict use of some funds to PEG and Institutional Network capital expenditures. These funds may be used to purchase PEG equipment and renovate or construct PEG studio and mobile facilities.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	1,370,371	0.00
Increase Cost: PEG Equipment Warranty Support	90,651	0.00
Increase Cost: Closed Captioning	33,165	0.00
Add: PEG Audience Measurement Initiative	25,000	0.00
Decrease Cost: Mobile Production Vehicle Operating	-2,500	0.00
Decrease Cost: PEG Training	-25,000	0.00
Decrease Cost: Youth Media	-50,000	0.00

	Expenditures	FTEs
Decrease Cost: PEG Capital equipment	-138,342	0.00
FY16 Approved	1,303,345	0.00

FiberNet

Funding from the Cable Special Revenue Fund are used to support Montgomery County’s private communications network – FiberNet. FiberNet is a critical infrastructure asset that provides carrier class voice, video, Internet access and data network services for Montgomery County Government and Public Schools, Montgomery College, Housing Opportunities Commission (HOC), the Maryland-National Park and Planning Commission (M-NCPPC) and the Washington Suburban Sanitary Commission (WSSC). The County’s public safety communications are also provided via FiberNet infrastructure. Additionally, FiberNet provides private network access to the State of Maryland and all of the local counties, municipalities and the District of Columbia. Expenditures cover the cost of network expansion, monitoring, management, and maintenance services. FiberNet is a countywide multi-million dollar investment that is crucial to the daily operation of local government within Montgomery County and with its citizens, neighboring governments and business partners.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
New Sites Added to FiberNet	2	42	80	20	25

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	2,675,273	5.70
Add: Implement new FiberNet Network Operating Center	728,900	0.00
Decrease Cost: FiberNet Operating	-13,604	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	63,198	0.00
FY16 Approved	3,453,767	5.70

BUDGET SUMMARY

	Actual FY14	Budget FY15	Estimated FY15	Approved FY16	% Chg Bud/App
CABLE TELEVISION					
EXPENDITURES					
Salaries and Wages	2,443,441	2,691,270	2,604,323	2,813,670	4.5%
Employee Benefits	886,682	960,120	930,218	1,029,200	7.2%
Cable Television Personnel Costs	3,330,123	3,651,390	3,534,541	3,842,870	5.2%
Operating Expenses	9,788,262	11,054,595	11,232,219	11,922,077	7.8%
Capital Outlay	0	0	0	0	—
Cable Television Expenditures	13,118,385	14,705,985	14,766,760	15,764,947	7.2%
PERSONNEL					
Full-Time	16	16	16	13	-18.8%
Part-Time	0	0	0	0	—
FTEs	30.50	30.50	30.50	30.50	—
REVENUES					
Franchise Fees	16,644,317	17,002,130	17,106,891	17,281,070	1.6%
Gaithersburg PEG Contribution	177,629	174,950	172,438	168,127	-3.9%
I-Net Operating Revenue	1,761,616	1,800,372	1,792,092	0	—
Investment Income	1,574	0	2,890	11,240	—
PEG Capital Revenue	6,064,376	6,276,638	6,496,654	6,298,151	0.3%
PEG Operating Revenue	2,239,456	2,288,724	2,278,196	4,110,091	79.6%
Tower Application Fees	155,500	120,000	150,000	150,000	25.0%
Cable Television Revenues	27,044,468	27,662,814	27,999,161	28,018,679	1.3%

FY16 APPROVED CHANGES

	Expenditures	FTEs
CABLE TELEVISION		
FY15 ORIGINAL APPROPRIATION	14,705,985	30.50
<u>Changes (with service impacts)</u>		
Add: Implement new FiberNet Network Operating Center [FiberNet]	728,900	0.00
Add: PEG Audience Measurement Initiative [Public Education Government Access (PEG) Operations]	25,000	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Municipal Pass-through Payments [Municipal Support]	201,307	0.00
Increase Cost: FY16 Compensation Adjustment [Cable Franchise Administration]	122,971	0.00
Increase Cost: PEG Equipment Warranty Support [Public Education Government Access (PEG) Operations]	90,651	0.00
Increase Cost: Montgomery Community Media salary and benefit increases [Community Access to Cable]	87,926	0.00
Increase Cost: Closed Captioning [Public Education Government Access (PEG) Operations]	33,165	0.00
Increase Cost: Retirement Adjustment [Cable Franchise Administration]	32,595	0.00
Increase Cost: Annualization of FY15 Personnel Costs [Cable Franchise Administration]	27,039	0.00
Increase Cost: Tower Facilities Coordinating Group & Engineering Contract cost [Cable Franchise Administration]	24,500	0.00
Increase Cost: Montgomery Community Media Rent and Utilities [Community Access to Cable]	11,067	0.00
Increase Cost: Group Insurance Adjustment [Cable Franchise Administration]	8,875	0.00
Decrease Cost: Printing and Mail [Cable Franchise Administration]	-1,588	0.00
Decrease Cost: Mobile Production Vehicle Operating [Public Education Government Access (PEG) Operations]	-2,500	0.00
Decrease Cost: Franchise Administration [Cable Franchise Administration]	-4,000	0.00
Decrease Cost: FiberNet Operating [FiberNet]	-13,604	0.00
Decrease Cost: PEG Training [Public Education Government Access (PEG) Operations]	-25,000	0.00
Decrease Cost: Youth Media [Public Education Government Access (PEG) Operations]	-50,000	0.00
Decrease Cost: Legal Expenditures [Cable Franchise Administration]	-100,000	0.00
Decrease Cost: PEG Capital equipment [Public Education Government Access (PEG) Operations]	-138,342	0.00
FY16 APPROVED:	15,764,947	30.50

PROGRAM SUMMARY

Program Name	FY15 Approved		FY16 Approved	
	Expenditures	FTEs	Expenditures	FTEs
Cable Franchise Administration	1,637,788	8.90	1,616,395	8.90
Community Access to Cable	2,429,442	0.00	2,528,435	0.00
County Cable Montgomery	2,509,334	15.90	2,577,921	15.90
Cable Programming for Public Schools	0	0.00	0	0.00
Cable Programming for Montgomery College	0	0.00	0	0.00
Municipal Support	4,083,777	0.00	4,285,084	0.00
Public Education Government Access (PEG) Operations	1,370,371	0.00	1,303,345	0.00
FiberNet	2,675,273	5.70	3,453,767	5.70
Total	14,705,985	30.50	15,764,947	30.50

FUTURE FISCAL IMPACTS

Title	APPR. (\$000's)					
	FY16	FY17	FY18	FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
CABLE TELEVISION						
Expenditures						
FY16 Approved	15,765	15,765	15,765	15,765	15,765	15,765
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Approved in FY16	0	-25	-25	-25	-25	-25
Items approved for one-time funding in FY16, including the PEG Audience Measurement Initiative, will be eliminated from the base in the outyears.						
Labor Contracts	0	22	22	22	22	22
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Subtotal Expenditures	15,765	15,762	15,762	15,762	15,762	15,762